

KENTUCKY NON-PARTICIPATING MANUFACTURER SURETY BOND

BOND NUMBER \_\_\_\_\_

KNOW ALL PEOPLE BY THIS DOCUMENT that:

(Principal/Obligor) \_\_\_\_\_, located at  
\_\_\_\_\_

(Address of Principal/Obligor); and

(Surety) \_\_\_\_\_, located at  
\_\_\_\_\_

(Address of Surety) as Surety company authorized to transact business in the Commonwealth of Kentucky, are held and firmly bound unto the Commonwealth of Kentucky, as **Obligee**, in the full and just sum of: \_\_\_\_\_ DOLLARS AND CENTS (**Amount in Words**), for which payment we hereby bind ourselves, our heirs, administrators, executors, successors and assigns firmly by this document.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the Principal/Obligor is subject to Title 131 of the Kentucky Revised Statutes (“KRS”), and pursuant to amendments to the KRS, this Surety bond is required; and

WHEREAS, under KRS 131.602(10), “A nonparticipating manufacturer shall post a financial instrument with the Attorney General as a condition of the nonparticipating manufacturer and its brand families being included in the state directory for that quarter;” and

WHEREAS, under KRS 131.602(10), “The amount of the financial instrument shall be the greater of fifty thousand dollars (\$50,000) or the greatest required escrow amount due from the nonparticipating manufacturer or its predecessor for the immediately preceding twelve (12) calendar quarters;” and

WHEREAS, under KRS 131.602(10), “The financial instrument shall be posted at least 10 days in advance of each calendar quarter as a condition of the nonparticipating manufacturer and its brand families being included in the directory for that quarter;”

NOW THEREFORE, if the Principal/Obligor shall comply with all the provisions of Title 131.600-131.602 of the KRS, and any amendments to these Chapters, and in particular, payment of escrow, penalties, and interest, promptly when due, including escrow, penalties, and interest which are now due and those which may become due, then the Surety shall have no obligation to perform under this bond.

Upon failure of the Principal/Obligor to comply with any or all of the provisions of Title 131.600 et seq. of the KRS, and any amendments to these Chapters including the Principal/Obligor's failure to pay all escrow, interest, and/or penalties promptly when due, the Kentucky Office of the Attorney General may execute on the financial instrument for the payment of the amount of the unpaid escrow, interest, and penalties by said principal up to, but not to exceed the amount of the Surety's liability as defined by this bond, including any costs and attorney's fees incurred during the collection process.

The Surety is assuring to the Kentucky Office of the Attorney General, the Principal/Obligor's full compliance with Title 131 of the KRS, and with any amendments to these Chapters. All terms, conditions, and provisions of these Chapters shall be deemed to be incorporated in and made part of this bond as if fully set forth in full herein.

This bond shall become effective on the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, at twelve and one minute o'clock A.M., Eastern Time., and continue in effect until the Surety withdraws by giving written notice to the Kentucky Office of the Attorney General, 700 Capitol Avenue, Suite 118, Frankfort, KY 40601, provided however, that no withdrawal shall be effective for any purpose until 30 days has elapsed from the receipt of the written notice by the Kentucky Office of the Attorney General. Furthermore, no withdrawal shall affect liability of the Surety arising out of any actions or inactions made by the Principal/Obligor prior to receipt of the written notice by the Kentucky Office of the Attorney General and expiration of the 30 day period.

IN WITNESS WHEREOF, the Principal/Obligor and Surety have executed this instrument at

\_\_\_\_\_  
**Address**

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**Principal/Obligor**

\_\_\_\_\_  
**Surety**

Signed and acknowledged by Surety's agent before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**Notary Public**

My Commission expires: \_\_\_\_\_.